

FISCAL MEMORANDUM

SB 4014 – HB 4066

April 18, 2008

SUMMARY OF AMENDMENT (015025, 017105): Authorizes the establishment of a health group cooperative of small employers made up of at least 1,000 employees or at least 10 participating employers. Deletes the requirement for the Department of Commerce and Insurance to report to the Governor and the General Assembly on the effectiveness of the availability of health group cooperatives.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue – Not Significant
Increase State Expenditures – \$10,000/One-Time

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue – Not Significant
Increase State Expenditures – Not Significant

Assumptions applied to amendment:

- Small employer cooperative insurers would pay the premium tax on premiums collected. It cannot be determined how many small businesses would purchase the insurance available or how many employees would shift coverage from their current policies or gain policies under the provisions of this bill. It is estimated that offering small employers a health care cooperative to purchase health coverage will result in an increase in policies being written and an increase in the collection of the premium tax. Such is estimated to be not significant.
- Any cost incurred by the Department of Commerce and Insurance can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/kml